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Barak Cardenas

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re:

BRONX MIRACLE GOSPEL TABERNACLE WORD
OF FAITH MINISTRIES, INC. F/K/A
BRONX MIRCALE GOSPEL TABERNACLE, INC.

Chapter 11
Case 19-12447(SMB)

Petitioner.
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AFFIDAVIT PURSUANT TO LOCAL BANKRUPTCY RULE 1007-2

STATE OF NEW YORK)
) ss.:
COUNTY OF BRONX)

Dr. Keith Elijah Thompson, being duly sworn, deposes and says:

1. I am the President of the Board of Trustees and Pastor of Bronx Miracle Tabernacle Word of Faith Ministries, Inc. f/k/a Bronx Miracle Gospel Tabernacle, Inc. with an address at 2910 Barnes Avenue, Bronx, New York 10467 ("Petitioner"). I submit this Affidavit pursuant to Local Bankruptcy Rule 1007-2.

2. Petitioner is in the business of owning and operating a 501(c) 3 not-for-profit religious corporation established in 1980 in the State of New York, Westchester County with a congregation of 200 hundred members. Petitioner was originally organized and incorporated under the name of Bronx Miracle Gospel Tabernacle, Inc. but after the merger of two of its ministries, it later changed its name to Bronx Miracle Tabernacle Word of Faith Ministries, Inc.

3. Petitioner owns a building which houses its Church located at 2910 Barnes Avenue, Bronx, New York 10467 (the “Church Building”) and land adjacent to the Church Building with an address at 2909 Mathews Avenue (collectively, the “Church Property”) which it purchased in 2008. The acquisition of the Church Property was an historic milestone for Petitioner and has enriched the Bronx community as it has afforded Petitioner the opportunity to expand the services it provided to its members and the community that it serves. Petitioner believes that its Church Property currently has a fair market value of approximately \$800K. As stated below Petitioner’s Church Property is encumbered with a mortgage in the current estimated amount of \$1.4 million.

4. Petitioner previously owned a church building located at 821 Burke Avenue, Bronx, New York (the “Previous Church Property”). However, the Previous Church Property was foreclosed on by Mooring Financial who held a mortgage against the Previous Church Property. Prior to the foreclosure of the Previous Church Property, the Petitioner had sought to expand its church in a new location to provide additional services to its members and the community. However, Petitioner was unable to procure conventional financing to purchase the Church Property. In order to procure the necessary financing for the purchase of the Church Property, Rev. Thompson, Petitioner’s Pastor and President of the Board of Trustees turned to an entity with whom he had been doing business related to his personal real estate ventures. Accordingly, on or about March 6, 2008, Petitioner executed a mortgage Note with Newell Funding, LLC as Lender in the principal amount of Four Hundred and Twenty Five Thousand Dollars (\$425,000). The Church was obligated for Seven Hundred Fifty Thousand Dollars (\$750,000). The financing for the Church Property was a procured through a “hard money loan” with terms under which Petitioner could not continue to pay when its membership declined. Petitioner attempted to cure

its default with Newell and entered in forbearance agreements. However, Petitioner was not able to resolve its issues. Accordingly, on or about January 23, 2015, Newell Funding commenced a foreclosure action against Petitioner captioned, Newell Funding, LLC v. Bronx Miracle Gospel Tabernacle Word of Faith Ministries, Inc. f/k/a Bronx Miracle Gospel Tabernacle, Inc. et al, pending in the Supreme Court of the State of New York, County of Bronx, Index No. 38007/15. Petitioner engaged the services of a law firm to assist it in defending the foreclosure action as Petitioner believed that the circumstances under which the debt was incurred warranted litigation. Notwithstanding same, the state court entered a judgment of foreclosure and sale against Petitioner and a foreclosure sale was ultimately scheduled.

5. Petitioner provides needed services to its members and the Bronx community, including adult literacy programs for GED preparation and computer classes; after school enrichment programs for children; artistic dance instruction for children; counseling and referral services for the community; back to school outreach programs; tutorial programs; a clothing bank; and a monthly feeding program. Petitioner also has overseas missionary programs in the Caribbean and Africa. Petitioner also has a Nursing Home Missionary that provides outreach to the sick and shut-in, including hospital visitation.

6. It had previously attempt to refinance the Newell Funding debt, but was unsuccessful.

7. Further, the Church believes that their legal position is correct and was considering further legal action, but decided make sure that it was in a position to pay Newell Funding if the litigation does not bring forth the results they seek.

8. Therefore, the Pastor and the membership, determined to keep the church, decided to implement a plan to increase their revenues such that if the litigation was unsuccessful, they would still be able to retain the church.

9. Through the first 6 months of 2019, revenue increase to be on pace to exceed \$180,000 per year. Nearly, fifty percent higher (50%) than the first six months of 2018.

10. The Petitioner is in the process of increasing their revenue through several additional efforts including renovating offices and facilities to rent to others for events and banquets. The facility has an on-site commercial kitchen. It has two meeting spaces on the premises that can hold both small and large events. There appears to be significant demand for these types of facilities in the area.

11. Unfortunately, while it was in the process of implementing this plan a fire occurred at an adjacent property which cause property and water damage in November 2018. Thereafter, earlier this year torrential rains caused an overflow of an unbeknownst underground area to seep into the basement and damage the work done to prepare the property for new events.

12. Despite these short term setbacks, the Petitioner believes that it can increase revenue sufficient enough to produce a confirmable plan of reorganization.

13. Petitioner is required to file with this petition a list containing the names and addresses of the twenty (20) largest unsecured creditors excluding (i) those creditors who or which would not be entitled to vote at a creditors' meeting under 11 U.S.C. Section 702; (ii) such creditors who were employees of the Petitioner at the time of the filing of its petition for reorganization; and (iii) creditors who are "insiders" as that term is defined in 11 U.S.C. Section 101(31). The requisite list of unsecured creditors is annexed hereto as Exhibit "B".

14. The Petitioner is also required to file a list containing the names and addresses of the five (5) largest secured creditors. Said list is annexed hereto as Exhibit "C".

15. The Petitioner is required to file a summary of the Petitioner's assets and liabilities. Annexed hereto as Exhibit "D" is that summary.

16. There are no publicly held securities of the Petitioner.

17. No property of the Petitioner is being held by a custodian, receiver or other public officer or by any secured creditor.

18. The Petitioner's offices are located at 2910 Barnes Avenue, Bronx, New York 10467.

19. Annexed hereto as Exhibit "E" is a list of the lawsuits currently pending against the Petitioner.

20. Annexed hereto as Exhibit "F" is a list of the Petitioner's officers, directors, affiliates and shareholders.

21. The estimated payroll (exclusive of officers and members and inclusive of payroll taxes) for employees of Petitioner for the thirty days following the filing of the Chapter 11 Petition is \$-0-. The amounts now being paid and proposed to be paid for services to be rendered by the officers of Petitioner as employees, for a period of thirty (30) days following the filing of the Chapter 11 Petition is \$2650 as salary. They estimated operating costs for Petitioner for the thirty (30) days following the filing of its Chapter 11 Petition aggregate approximately \$ 10,949.36. Annexed hereto as Exhibit "G" is a 30-day projection of income and expenses and cash flow.

22. Annexed hereto as Exhibit "H" is a resolution authorizing the Petitioner's Chapter 11 filing.

23. There are no other bankruptcy proceedings pending against the Petitioner.

24. No committee of creditors was organized prior to the filing of the Chapter 11 Petition.

25. The needs and interests of the Petitioner and its creditors will best be served by the Petitioner's possession of its assets and management of its affairs as a Debtor-in-Possession under Chapter 11 until confirmation of a reorganization plan.

By /s/ Keith Elijah Thompson
Dr. Keith Elijah Thompson, President

Sworn to before me
this 12th day of August
2019

/s/Barak Cardenas
Barak Cardenas
NOTARY PUBLIC-STATE OF NEW
YORK
No. 02CA6287019
Qualified in Westchester County
Commission Expires August 5,
2021

EXHIBIT "B"

**TWENTY LARGEST UNSECURED CREDITORS OF
BRONX MIRACLE GOSPEL TABERNACLE WORD OF FAITH MINISTRIES, INC.
F/K/A BRONX MIRACLE GOSPEL TABERNACLE, INC ***

1	Newell Funding, LLC 245 Main Street White Plains, NY 10601		Real Estate Loan	\$1,200,000	\$410,000
2	CLAIR & GJERTSEN 4 NEW KING, SUITE 140 WHITE PLAINS, NY 10604		professional services		\$6000
3	MR. EROL D. WILLIAMS 854 EAST 217TH STREET BRONX, NY 10467	MR. EROL D. WILLIAMS	Loan		\$50,000
4	MR. FRANKLYN ROBINSON 3003 WILSON AVENUE BRONX, NY 10469	MR. FRANKLYN ROBINSON	Loan		\$25,000
5	MR. WILLIAMS S. WRIGHT 254 BEDFORD AVENUE MT. VERNON, NY 10553	MR. WILLIAMS S. WRIGHT	Loan		\$20,000
6	MS. CAROLYN SKINNER 218 COUNTRY CLUB DRIVE FLORIDA, NY 10921	MS. CAROLYN SKINNER	Loan		\$25,000
7	MS. CYNTHIA WILLIAMS 1045 EAST 226TH STREET BRONX, NY 10466	MS. CYNTHIA WILLIAMS	Loan		\$20,000
8	MS. HERMIN YOUNG 642 EAST 222ND STREET BRONX, NY 10466	MS. HERMIN YOUNG	Loan		\$40,000
9	MS. JEANETTE BROWN 15 SOUTH FIRST AVENUE, #281 MT. VERNON, NY 10550	MS. JEANETTE BROWN	Deferred Wages		\$27,000
10	MS. MAXINE ROSE HALL 2925 MATTHEWS AVENUE BRONX, NY 10467	MS. MAXINE ROSE HALL	Loan		\$25,000

11	MS. PRINCESS DUBIDAD 1746 GIVAN AVENUE BRONX, NY 10469	MS. PRINCESS DUBIDAD	Loan		\$10,000
12	PASTOR KEITH ELIJAH THOMPSON 2934 PEARSALL AVENUE BRONX, NY 10469	PASTOR KEITH ELIJAH THOMPSON	Deferred Compensation		\$30,000
13	MS. ANNIE MOORE 2031 STRANG AVENUE BRONX, NY 10466	MS. ANNIE MOORE	Loan		\$10,000
14	MS. TRACY-ANN MOORE 3366 BARKER AVENUE, APT. 1 BRONX, NY 10467	MS. TRACY- ANN MOORE	Loan		\$5,000
15	SHARON & STEVE BURTON 1018 EAST 213th STREET BRONX, NY 10469	SHARON & STEVE BURTON	Loan		\$8,000
16	MS. ICYMAY THOMAS 829 ADEE AVENUE, APT. 3B BRONX, NY 10467	MS. ICYMAY THOMAS	Loan		\$5,000
17	MR. BERNEL RICHARDSON 4359 FURMAN AVENUE, APT. 3B BRONX, NY 10466	MR. BERNEL RICHARDSON	Loan		\$8,000
18	MR. HORACE HALL 85 HARPER AVENUE BRONX, NY 10466	MR. HORACE HALL	Loan		\$15,000
19	MARCIA & FRED CAMPBELL 3939 WHITE PLAINS ROAD BRONX, NY 10466	MARCIA & FRED CAMPBELL	Loan		\$5,000
20	MR. CLEVELAND BARNES 2919 WILSON AVENUE BRONX, NY 10469	MR. CLEVELAND BARNES	Loan		\$2,500

EXHIBIT "C"

FIVE LARGEST SECURED CREDITORS OF
BRONX MIRACLE GOSPEL TABERNACLE WORD OF FAITH MINISTRIES, INC..
F/K/A BRONX MIRACLE GOSPEL TABERNACLE, INC

Name

Estimated Amount

Newell Funding LLC
245 Main Street, Suite 330
White Plains, New York 10601

\$1,200,000.00

EXHIBIT "D"

**SUMMARY OF ESTIMATED ASSETS
AND LIABILITIES OF BRONX MIRACLE GOSPEL TABERNACLE WORK OF
FAITH MINISTRIES, INC. F/K/A BRONX MIRACLE GOSPEL TABERNACLE, INC.**

ASSETS:

Cash	\$4,991.96
Furniture, Fixtures & Equipment	\$56,250.00
Intangibles & Intellectual Property	\$1,100
Other Assets (Litigation)	\$3,000,000
Real Property	<u>\$800,000.00</u>
TOTAL ASSETS	\$3,862,342.04

LIABILITIES:

Priority Unsecured Claims	\$14,439.61
Nonpriority Unsecured Claims	\$3,150,386.00
Secured Claims	<u>\$1,200,000.00</u>
TOTAL LIABILITIES	\$4,264,825.61

EXHIBIT "E"

PENDING LITIGATION

Newell Funding, LLC v. Bronx Miracle Gospel Word of Faith Ministries, Inc. f/k/a Bronx
Miracle Tabernacle, Inc. et al
Supreme Court of the State of New York
County of Westchester
Index No. 380007/15

EXHIBIT "F"

**OFFICERS, DIRECTORS, SHAREHOLDERS
AND AFFILIATES OF BRONX MIRACLE GOSPEL TABERNACLE WORD OF
FAITH MINISTRIES, INC F/K/A BRONX MIRACLE GOSPEL TABERNACLE, INC..**

Officers:

Dr. Keith Elijah Thompson, President
Rev Yvonne Mae Thompson, Vice President
Minister Jeanette Brown, Financial Secretary/ Treasurer

Board of Trustees

Deacon Bernel Arthur Richardson
Elder William Wright
Elder Cynthia Williams

Affiliates:

Bronx Resource Community Center, Inc.

EXHIBIT "G"

**30 DAY INCOME & EXPENSE
PROJECTIONS OF BRONX MIRACLE GOSPEL
TABERNACLE WORD OF FAITH MINISTRIES, INC F/K/A BRONX MIRACLE
GOSPEL TABERNACLE, INC.**

Income

Tithes & Offerings	\$16,000.00
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Expenses

Payroll	\$3,650.00
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Insurance	\$923.36.00
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Con Edison	\$1200.00
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Telephone	\$650.00
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Church Office Supplies	\$180.00
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Housing Allowance	\$3,900.00
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Automobile Allowance	<u>\$446.00</u>
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Total	\$10,949.36
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Net Profit	\$6050.64
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